

**The Times-Dispatch**

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Telephone: 1000  
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Telephone: 1000

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THURSDAY, JANUARY 11, 1912.

**THE GOVERNOR'S MESSAGE.**

Comprehensive and constructive, Governor Mann's message to the General Assembly transmitted yesterday must in wealth of practical suggestions and outline of progressive policies be pronounced an unusually able and commendable State paper. Touching the whole field of legislative subjects, it has the merits of conciseness and force, constituting admirable textbook for the guidance of the General Assembly, showing it the way wherein it must walk and the work that it must do. The message, as a whole, will receive the unstinted approval of the people of the State, nor will they fail to applaud the practical and patriotic services of their Chief Executive.

Confronted by a concealed deficit soon after his induction into office, Governor Mann wisely took the people into his confidence, revealing to them the true state of the public finance. The financial path which he has had to tread has been one of the most difficult which ever lay before any Governor of this State, but he has consistently laid bare to the public his knowledge of the financial affairs of the Commonwealth. In urging that appropriations should "not only be well within the resources of the State, but should provide for the accumulation of a surplus of not less than \$500,000," the Governor has adhered to his policy of publicity, urging a conservative and economical financial policy on the part of the Legislature. The limit which he would place on appropriations for the next two years is sane and wise.

In his declaration that "the prison population must be profitably employed in healthful work without competition with free labor," Governor Mann sets up an ideal to which all aspire, but how can the prisoners be profitably employed without competing with free labor? It seems to us that the best use to which they could be put would be breaking rock for the public roads and working on those roads. The mental and physical health of the prisoners demands that suitable employment be given them, and the use of such unfortunates for private gain is justified only when it is clearly demonstrated that the securing of such gain is incidental to the health and welfare of the prisoners.

In his recommendation that the Confederate pensioners shall be fully and promptly paid out of the State Treasury by an enlargement of the pension fund, the Chief Executive recognizes the inextinguishable debt which Virginia owes to her former defenders, and his suggestion should receive favorable action.

The adoption of a more efficient and business-like system of accounting and disbursement of appropriations for the use of State institutions is eminently desirable. The recommendation for a special accountant in the Department of Public Instruction is along the same line, and both suggestions should be adopted. Anything that will cause the business of the State to be transacted more economically and more efficiently is to be heartily commended, and is in accord with the governmental reforms spreading over the country.

If the Governor's recommendation that all saloons be closed after sunset would effect anything substantial in the direction of solving the liquor question, it would be most welcome, but would not the adoption of such a measure only serve to swamp myriads of fake clubs for young men and others wishing through them to secure liquor after midnight and evade the law? This question of the hours for saloon closing is one which can be best regulated by the respective communities themselves. Conditions differ in various localities, and local action can best settle this question.

Nothing but a national law can prevent the shipment of liquor from dry territory into wet, and until such a law shall have been adopted, State action is impractical and useless. The enactment of such a measure as Governor Mann outlines would simply mean that instead of ordering from an intrastate point the buyer would order from some place without the State, with the result that the law would be ineffectual. "The greater the distance the less the liquor that will be ordered," thinks the Governor, but the experience of the world is the greater the distance, the larger the order.

Wise and most salutary is the Governor's recommendation of some provision for the custodial care of the feeble-minded. There are at least 4,500 in the State and many of them are women. The mental condition of such unfortunates is transmitted to their progeny, and because the women in particular cannot protect themselves, the State should take care of the feeble-minded and prevent further propagation of an undesirable species. Action in this matter ought to be money to the State in the future by

preventing the necessity of the State's having to take care of another generation of weak-minded people.

Public sentiment thoroughly endorses the recommendation of the message with reference to purer elections and better safeguards, especially for primary elections. The suggested limitation of the amount to be expended by a candidate to one-half of one year's salary of the office to which he aspires is a good one, and should be written into law with the punitive feature appended.

Doubtless there is much in the complaint voiced in the message to the effect that the public school system is not reaching back into the smaller communities, but in the circumstances the system of public schools is the best that can be employed. Consolidation of schools in communities sparsely settled has been absolutely necessary for good schooling; the little red schoolhouse was one of the greatest drawbacks our school system ever had. It should be remembered that Virginia has made wonderful strides in education; the Times-Dispatch, which has been the leading and most aggressive advocate of education in the South, called attention to the fact that in a few years Virginia jumped from the thirty-fifth to the seventeenth place on the list of States expending money for education. Great progress is being made, and in no distant time our educational system will fully develop the schools in every community to the desired degree.

Another wise recommendation by Governor Mann urges the appointment of a committee of the General Assembly to purchase a part of the Ford's Hotel lot, owned by the city of Richmond, as a site for the erection of an office building to properly take care of the State officers, who are already crowded in the Capitol and annex or crowded out completely. An additional building is sorely needed, and the purchase of the site indicated would be wise and beneficial. The site could never be purchased so cheaply as now.

As is advised in the message, all printing and stationery for State departments should be purchased through the public printer, who is a thoroughly competent man, who could doubtless save much money by becoming the printing purchasing agent of the State.

Unquestionably, amendments to the State banking law are needed. No motive should be required before a known insolvent bank can be taken in charge by the State Bank Examiner. The supervision of State banks should resemble as much as possible that of national banks.

No doubt it is the duty of all to sustain as far as possible the militia, but the Governor's recommendation of a law making it a misdemeanor for an employer to dismiss an employee because the latter belongs to the State militia and attends to his military duties is hardly workable. The result of the passage of such a law would simply be that employers would not employ men who belonged to the militia. The law cannot say whom an employer shall hire, and there the matter stands.

Very properly Governor Mann reserves his views and recommendations on tax reform for a later message.

**A PESSIMISTIC NOTE FROM JAPAN.**

Following the disturbing and disheartening revelations of Japan's annual balance sheet, a distinctly pessimistic press tone comes from that country—a tone carrying other disturbing and disheartening revelations, and even, possibly, prophecy of far worse to come. No longer can Japan be called the land of light-heartedness and freedom from care, "the land of cherry-blossom brightness, where the sunshine throws no shadows." Also in the scale of world-powerism and the responsibility of maintaining that position, together with the cost, have metamorphosed, and are metamorphosing, the very nature and temperament of the people. The pendulum having swung to the limit of exultation and self-confidence and hope, has for some time been moving in the opposite direction. Indeed, it has passed on its return the centre of the arc—the portion of calm reasoning—and is traveling to the other extreme of moroseness, discontent, depression and hopelessness.

In the last twelve months not only as shown by actual statistics, have over 16,000 persons committed suicide, in order to escape the burden of national indebtedness, high taxation and increasing uncertainty of life, but, according to one of the leading Japanese writers, the number of criminals in Japan is being rapidly augmented by the difficulty of obtaining the necessities of life. This paper, the *Maishin Shinbun*, declares that as a matter of fact the criminal classes have become so great that the prisons cannot hold them, and that many persons are being released and turned loose upon society to make room for others. An increase of Japanese criminals a year ago to be dealt with, it adds.

A further result of the conditions and a most significant development of the reaction, as pointed out by the *Japan Herald*, are found in the widespread political threat that prevails. The more specific and most serious manifestation of this is the unmistakable sympathy of the Japanese masses with the Chinese revolutionists. Among the "common people" of Japan, it is stated, there is an ominous and growing demand for a more representative government than now exists, it being recognized that the present order is a pseudo-representative government and that in reality the rule of the empire is still in the hands of the clans, who work under a thin veneer of constitutional form. That this statement is not a mere bogey, or an illustration

of the wish's being father to the thought, is conclusively testified to by the fact that the Kakunin, the semi-official government organ, thinks it necessary to solemnly warn Japan against the danger of permitting a republic to be established.

Another thing that gives emphasis to the statement, and proves that the sentiment in favor of a republic is something not to be reckoned with lightly, is the demand that has arisen among the people for extension of the franchise and for "party politics," for the purpose avowedly of breaking the grip of the clan autocracy. Of course, prediction as to the final outcome would, at this stage of the situation, be rash. With Orientals more than with any other people reaction is liable to end in reversion to the result of the reassertion of the influence of tradition, which deep down in the Japanese heart makes for reverence for the divinity of the throne. This it would not be safe to deny despite the comparative indifference with which was received the disclosure of the recent plot to assassinate the "divine" Emperor.

Nevertheless, there need be no great surprise, particularly should the Chinese movement for a republic succeed, or even should the struggle be prolonged much further, if Japan is the scene of the next great internal storm in the world's history.

**ABOLISH THE FEE SYSTEM.**

Filing on the fee system has been going on a long time, but Governor Mann, in his message yesterday, shortened the life of this vicious parasite on our governmental scheme. By his condemnation of this iniquitous form of official graft he has done much to break down a most unjust and uneconomical draft on the public finance. The system is rotten to the core; it discriminates between two men of equal ability by paying one ten times as much as the other; it exalts a mere clerk above the chief judge of the State and puts a mediocre Treasurer over the Governor.

Immediate abolition of the fee system seems impossible, and in that event the plan suggested by Governor Mann is the best. He would make the salary policy apply at first only to the cities and counties containing more than 20,000 inhabitants. There are thirty-one of these in the State. "This plan," says the Governor, "would not involve any possible risk to the finances of the State, but would increase our revenue and would correct most of the abuses complained of, and could be gradually extended until all of the counties would be brought under its operation." Furthermore, Governor Mann points out, this change could be effected at this session, which would not be the case if the reform were made applicable to all cities and counties. Following this is the logical and forceful recommendation of an act providing for the payment of salaries instead of fees in the cities and thirty-one counties having more than 20,000 inhabitants.

The existence of the fee system is a cause of great unrest among the people of Virginia. The system itself is a monstrosity, an inexcusable and antiquated scheme for the enrichment of a few individuals at the expense of the State and the people. If the General Assembly will write into law Governor Mann's recommendation it will rid the Commonwealth of a mighty injustice and a festering plague on the body politic. The system must go.

**Queries and Answers**

**"The Heath-Dabney Letter."**

We have had a great many requests for the publication of what is known as the Heath-Dabney letter, which we are unable to supply. In response to this demand, we will publish the letter in the *Times-Dispatch*, several weeks ago.

**H. M. SMITH, JR.,**  
President Woodrow Wilson Club.

My dear Heath: I do not have a chance when I was with you to have our talk out about the initiative, referendum and recall. It may be in response to this demand, we will publish the letter in the *Times-Dispatch*, several weeks ago.

In the first place, with regard to my own state of mind, I surrendered to the facts, as every candid man must. I said the public had a right to know the truth, and I said that the people had a right to know the truth. I said that the people had a right to know the truth, and I said that the people had a right to know the truth.

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**The Legislature and Tax Reform.**

**I. The Land Tax.**

Of all the recommendations made to the Legislature by the Tax Commission, none is more important than that of the equalization of the land tax. It affects the theory, wide in its application, fruitful in its results.

The problem of reforming the land tax is not simple. The land in the Commonwealth is assessed at little more than \$477,000,000; they are worth at least \$377,000,000. Once in five years their value for taxation is determined by special land assessors, and the men who do the assessing are appointed by the courts, and are not subject to the law. They are not trained, responsible superior to whom they are not subject to advice. Every land assessor is his own master, his own ruler. Where he starts to assess lands at their full market value, as required by the Constitution, and by statute, he has none to support him in overcoming local sentiment for a low valuation. He is at the mercy of his neighbors.

What happens is exactly what might be expected. Irresponsible, untrained, unaided, unprotected, the land assessor generally puts the interest of his neighbor above the interest of the State. He represents the true value of the property assessed in cities where there is a heavy demand for revenue, and where there is a strong sentiment for a low tax rate, the assessor usually values property at more than its fair market value; but in the counties where the State owns the land, the assessor often values land at 20 per cent or less of its true value. Lands have been located by the Tax Commission assessed at about 5 per cent of their true value.

Thus inequality is established. One citizen pays on a valuation of 75 per cent, another on a valuation of 15 per cent. The result is that the Tanner's Creek District, Norfolk county, pays taxes on at least 80 per cent of the fair market value of its lands; the farmer in Grayson or Floyd county pays on not more than 20 per cent. The taxes of the former are, therefore, three times as heavy as are those of the latter.

From this condition many of the deplorable failings of our financial system follow. It is because of this inequality and their desire to escape the legitimate burden of taxation that more than thirty counties are a positive liability to the State. It is because of this inequality that the State has to maintain a tax rate of 25 cents, when it might easily lower the rate to 20 cents. It is because of this inequality that the land tax, which should be the most valuable and productive of taxes, yields less than 20 per cent of the revenue of the Commonwealth.

To restate the case: Local officers are subject to local influence; local influence demands a low assessment; a low assessment means a burden on taxpayers; such a burden means inequality; inequality spells injustice.

Manifestly, the work of the Tax Commission and of the Legislature, acting on the recommendation of the Tax Commission, is to correct the evil at its source—to secure officers who are not subject to local influence, at a uniform valuation, and to secure a uniform valuation of the property of the Commonwealth. If this can be done the rest is easy.

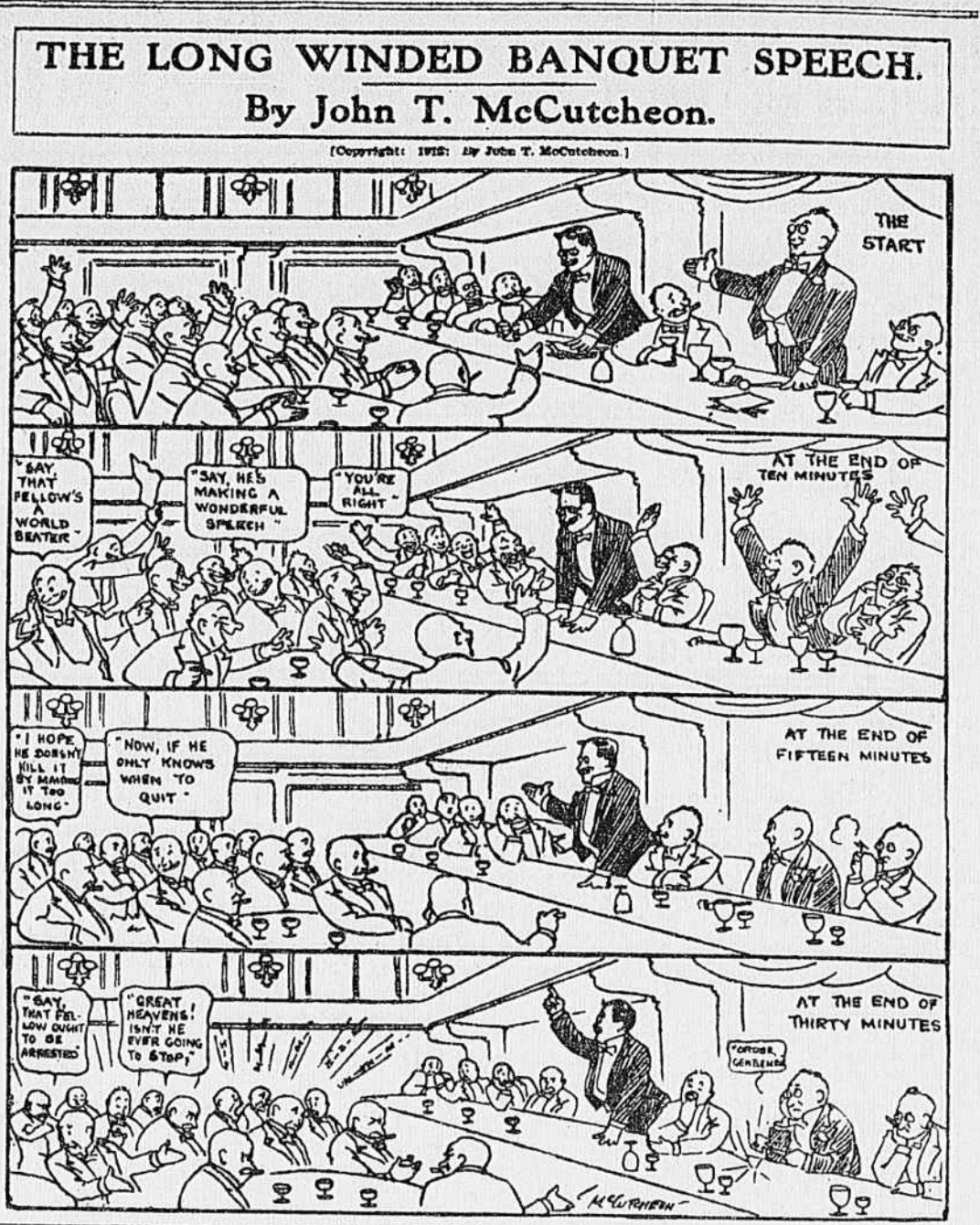
But how is it to be done? There are very serious obstacles. In the first place, the assessment must be made locally, by officers responsible to the locality. Only the local assessor is capable of making an assessment in a county; no others know the value of the land, the fertility of the farms, the character of the soil, the essential to assessment. In correcting an evil, therefore, the State must incur the expense of the education of its local officers and the payment of their salaries instead of fees in the cities and thirty-one counties having more than 20,000 inhabitants.

The second obstacle is that of money. The work of assessment is most expensive. Michigan spent almost \$200,000 in 1909 to reorganize its assessors. New York annually spends millions in assessing. Even if it were possible to do the entire State the cost would be very costly. In the present condition of the State's finance it is not possible to inaugurate a system which will require a great outlay of funds.

With the necessity of reform and its direction obvious, and with the limitations of the present system, the Tax Commission had to devise a system that would accomplish the desired reform. The method which they have recommended is simple and, as experience has shown, can be made most effective.

Its operation will be as follows. For two years prior to the assessment year every transfer of property recorded is to be accompanied by a sworn statement showing the actual value of the property involved in the transfer. These statements, for various reasons, are not made public, but are kept by the clerk. When the assessor next comes to assess the property, he will go to the county seat, examine the transfers and find out what the total valuable consideration was for the property transferred. He will also find out what the total valuable consideration was for the property transferred. He will also find out what the total valuable consideration was for the property transferred.

When this information is in hand it will be presented to the State Tax Commission, met in special session for



that purpose. At this meeting the representatives of the county or any private citizens can appear and argue the justice of the tentative value per acre fixed by the Tax Commission. This evidence the commission can fix a rate, or a "county per acre average." The rate of the county, say, Grayson county, is selling at \$13 an acre. It will enter an order requiring the land assessors of Grayson county to show the assessor of the county the rate of the county. The assessor will still have the right to equalize assessments in the county, but he must do so in the knowledge that he cannot charge the average for the county. If he returns books showing less than the average he will be subject to a fine of \$100. If he returns books showing more than the average he will be subject to a fine of \$100. If he returns books showing more than the average he will be subject to a fine of \$100.

In the cities the proposed procedure is somewhat different. Per acre average of the county, say, \$13 an acre. The value of buildings will be determined by the assessor of the county. The assessor will still have the right to equalize assessments in the county, but he must do so in the knowledge that he cannot charge the average for the county. If he returns books showing less than the average he will be subject to a fine of \$100. If he returns books showing more than the average he will be subject to a fine of \$100. If he returns books showing more than the average he will be subject to a fine of \$100.

Accordingly, the commission proposed a very simple expedient—the abolition of land assessors and the assessment of lands and improvements by commissioners of the revenue. This is reasonable, and that a contrary system should have prevailed seems curious. The commissioners of the revenue, who are to be removable for cause, who are in effect State officers, should be able to assess lands and improvements. The system is constantly occupied with the work of assessment—they are the men to assess lands. If they are properly interested in the duty which is entrusted to them, they will be able to assess lands and improvements and be sustained and upheld by wise laws, they can give Virginia a proper assessment.

Neither is it final. It represents the step in tax reform which every State must take in passing from the present system of land assessment to a system of uniform valuation. It has been used in many States successfully; it is simple, it is inexpensive, it meets the situation. Equality will be inevitable if this plan, unmodified and unemasculated, be given the approval of the Assembly.

Another good result of this plan will be the speedy reduction of the tax rate. A uniform assessment of lands and improvements will mean an assessable revenue of more than \$3,000,000 from this source. No one would have the people pay this much tax on their lands and improvements. The revenue would be diverted to a reduction of the tax rate to a maximum of 10 cents. The real tax rate would be reduced accordingly. Virginia could advertise to the world that the days of heavy taxation were past. She could show that she was a more progressive and more equitable State than any other in the South.

Could Virginia make a stronger bid for prosperity and power?

D. S. FREEMAN.

**La Marquise de Fontenoy**

GRATEFULLY to the relief of the Duchess of Sutherland, and of all the numerous relatives of herself and of her husband, her successor in the title will be, not a dusky beauty from India, young Lord Stafford having been cured of his infatuation for the daughter of the Indian Maharajah of Cochin Bhar, but a very pretty and altogether charming English girl, well known in Canada, where she spent several years with her parents, at Ottawa, and in England, where she frequently visited. For the dance of the Marquis of Staf-

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